Office of the Independent Inspector General

FY2025 Mid-Year Budget Presentation

July 28, 2025

Good afternoon Chairman Daley and Members of the Board of Commissioners:

Pursuant to Cook County Ordinance, the mission of the Office of the Independent Inspector General (OIIG) is to detect, deter and prevent public corruption, fraud, waste, mismanagement, unlawful political discrimination, and other forms of misconduct in the operation of Cook County government.

The jurisdiction of the OIIG includes all Offices under the Cook County Board President, the Cook County Board of Commissioners, Cook County Health, the Forest Preserves of Cook County, and the separately elected Cook County officials such as the Assessor, Treasurer, Clerk, Sheriff, and Board of Review. Pursuant to State statute, our office also has jurisdiction over other government officials who are appointed by the Cook County Board or the President such as trustees of local sanitary districts and mosquito abatement districts.

However, we no longer have jurisdiction over the Metropolitan Water Reclamation District of Greater Chicago due to the expiration of the intergovernmental agreement on May 16, 2025.

The OIIG is budgeted for 20 full-time employees including the Inspector General, two Deputy Inspectors General, one General Counsel, one Assistant Inspector General, 14 Investigators and one Office Manager. Currently, we have four vacancies at the entry level that will be filled during this fiscal year. We are under budget by $319, 223 or 25% for the 6-month period. We are under budget primarily due to several open positions and pending upgrades to our case management system. We expect to stay within our budget for the remaining portion of fiscal year 2025.

Looking forward, we plan to expand the Office during fiscal year 2026 to include five additional staff to address the longstanding personnel shortages. These new positions will be dedicated to unlawful political discrimination, anti-corruption and waste and mismanagement.

As you know, we have proposed an Amendment to the Office of the Independent Inspector General Ordinance to address issues related to staffing and independence from political influence from the Administration. Accordingly, I have invited a few stakeholders in Cook County with expertise in matters relating to the OIIG's mission to address the need to enact this Amendment. Specifically, Dr. Dick Simpson, professor Emeritus from UIC, Alisa Kaplan from Reform for Illinois, and Michael Shakman, the lead plaintiff in the Shakman litigation.

Conclusion

As previously noted in our Quarterly Reports and Budget presentations, the OIIG is amongst the lowest funded Inspector General Offices in the Chicago area in comparison to the overall budgets for the respective government entities they are mandated to serve. Currently, there is a County employee to OIIG staff ratio of approximately 1,000 to1, which is the highest ratio of government staff to OIG staff in the area. In fact, the OIIG has approximately the same number of employees that were originally allocated to the OIIG when the office was created in 2007. However, the County's budget has tripled to nearly $9 billion since that time. The OIIG believes

the funding allocation should be at par with the percentage that the Chicago's OIG receives pursuant to law.

I believe the Inspector General's Office budget should be considered an investment and not a cost. Our Office demonstrated this perspective when our work helped identify and rectify managerial failures in the Healthcare system. Specifically, we made recommendations that helped CCH save approximately $229 million in claim denials since our reports were released in 2018 and 2019. Additionally, our recommendations prompted CCH to implement a budgetary mechanism that ensures Stroger Hospital receives compensation for services to CountyCare members. CCH has tracked $1.9 billion in internal capture proceedings from the Affordable Care Act from 2019 through 2024. These are two results that we helped CCH and Cook County achieve.

The Inspector General's Office is referred to as an Office Under the President and the Administration determines the Inspector General's Office budget. Therefore, employees, contractors and the public do not believe we are completely independent. This has a chilling effect on the cooperation we rely upon conducting our investigations. The lack of complete independence also weakens the credibility related to our findings and recommendations contained in our reports. As for our independence, this is critical for us to effectively meet our mission. Therefore, we respectfully ask for at least one commissioner to support the proposed Amendment and put it up for a vote at next month's Board Meeting.

At this time, I can take any questions you may have for me.

Tirrell J. Paxton
Independent Inspector General

Attachments:
Proposed Amendment
Comparisons Chart
Proposed new budget
AIG Letter
Alisa Kaplan Letter
Michael L. Shakman Letter
Dick Simpson PhD, Letter
CCH Claim Denials Savings Chart
CountyCare Internal Capture Chart

Sec. 2-281. Establishment.

There is hereby established an office of County Government ("County") to be known as the Office of Independent Inspector General ("OIIG"). The Independent Inspector General shall head the OIIG. The organization and administration of the OIIG shall be sufficiently independent to assure that no interference or influence external to the office adversely affects the independence and objectivity of the Independent Inspector General. The OIIG shall include an inspector general and such deputies, assistants and other employees as may be provided in the annual appropriation ordinance. *The appropriations available to pay for the expenses of the office of Independent Inspector General during each fiscal year shall be not less than fourteen hundredths of one percent (0.14%) of the annual appropriation of all funds contained in the annual appropriation ordinance, as adjusted. For purposes of this section, "as adjusted" means subtracting, before applying the percentage all funds for services to Cook County state agencies.*

(Ord. No. 07-O-52, 7-31-2007.)

Comparisons Chart

	Inspector General Office	Total Agency Budget FY 2024	Total OIG Budget FY 2024	% OIG Budget of Total Agency	FY2024 Budgeted Positions
1	Cook County Office of the Independent Inspector General **(See Notes 3 and 4)	$ 8,765,983,283	$ 2,456,335	0.03%	19
2	City of Chicago Office of Inspector General	$ 18,341,105,000	$ 14,216,049	0.08%	124
3	Office of Executive Inspector General, Illinois Governor	$ 176,987,655,145	$ 10,393,500	0.01%	88
4	Chicago Public Schools OIG	$ 8,489,500,000	$ 7,487,378	0.09%	58
5	IL. Department of Children and Family Services OIG	$ 2,008,197,200	$ 2,507,400	0.12%	19
6	Chicago Housing Authority OIG	$ 1,279,491,250	$ 2,232,503	0.17%	15
7	Chicago Park District OIG	$ 569,590,037	$ 1,008,565	0.18%	9

			Proposed Budget Floor		0.14%
Total Cook County Budget FY 2024:	**$**	**9,261,800,000.00**	**$**	**12,966,520.00**	
Clerk of the Circuit Court	$	(135,527,314.00)			
State's Attorney	$	(204,826,867.00)			
Office of the Chief Judge	$	(344,234,230.00)			
Forest Preserves	$	188,771,694.00			
Total Cook County Budget Adjusted FY2024:	**$**	**8,765,983,283.00**	**$**	**12,272,376.60**	

ASSOCIATION OF INSPECTORS GENERAL

524 West 59th Street, 53334HH
New York, NY, 10019
212-237-8001

Will Fletcher
President of the Board of Directors

Michael J. Castrilli
Executive Director

April 2, 2025

Mr. John P. Daley
Chairman
Finance Committee
Board of Commissioners of Cook County
118 N. Clark Street
Chicago, IL 60602

Re: Support for Budgetary Floor to Provide Proportional Funding of Oversight Agencies (Office of Independent Inspector General)

Chairman Daley and Members of the Board of Commissioners:

The Association of Inspectors General (AIG) is an independent, non-partisan 501(c)(3) organization dedicated to promoting adherence to quality standards and encouraging governmental entities to adopt the inspector general model as an effective tool to combat waste, fraud, and abuse. With over 2,500 members serving in Inspector General (IG) offices across the United States and internationally, the AIG has spent nearly 30 years advancing best practices and fostering independent oversight in government.

The *Principles and Standards for Offices of Inspector General* adopted by the Association of Inspectors General emphasizes that IG offices should be funded through mechanisms that ensure adequate resources without internal or external impairments to their independence. Various jurisdictions have achieved this through dedicated revenue streams or funding formulas tied to total revenue or expenses.

At the request of the Cook County Office of Independent Inspector General (OIIG), the AIG has reviewed a proposal for establishing a budgetary floor to secure consistent and transparent funding for the OIIG. We believe this measure aligns with recognized best practices and supports the AIG's established standards for independent oversight offices.

Establishing a budgetary floor will enhance the OIIG's ability to perform its legislated duties without undue budgetary pressures, ensuring accountability, transparency, and

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operational stability. This approach not only safeguards the OIIG's independence but also strengthens public trust in the county government.

The citizens of Cook County deserve an adequately funded OIIG that can effectively fulfill its oversight responsibilities in any budget environment. OIGs frequently demonstrate financial benefits that surpass their costs, and their presence enhances accountability and transparency, bolstering public confidence in government operations.

Should the AIG be of any service during the process of establishing funding processes, please feel free to contact Executive Director Michael Castrilli at mcastrilli@inspectorsgeneral.org.

Sincerely,

Will Fletcher
President, Association of Inspectors General

cc. Alma Anaya (Board of Commissioners)
Anthony Quezada (Board of Commissioners)
Bill Lowry (Board of Commissioners)
Bridget Degnen (Board of Commissioners)
Bridget Gainer (Board of Commissioners)
Donna Miller (Board of Commissioners)
Frank Aguilar (Board of Commissioners)
Josina Morita (Board of Commissioners)
Kevin Morrison (Board of Commissioners)
Maggie Trevor (Board of Commissioners)
Michael Scott Jr (Board of Commissioners)
Pamela Cummings (Presidents Office)
Scott Britton (Board of Commissioners)
Sean Morrison (Board of Commissioners)
Stanley Moore (Board of Commissioners)
Tara Stamps (Board of Commissioners)
Kisha McCaskill (Board of Commissioners)
Laura Lechowicz-Felicione (Presidents Office)
Lanetta Haynes Turner (Presidents Office)

July 28, 2025
Board of Commissioners of Cook County
Re: Proposal to establish a funding floor for the Office of the Independent Inspector General

My name is Alisa Kaplan, and I'm the Executive Director of Reform for Illinois, a nonpartisan organization dedicated to promoting ethical, accountable, and transparent government.

I'm here today to support the proposal to establish a funding floor for the Cook County Office of the Independent Inspector General (OIIG). This is a sensible and long-overdue reform that will strengthen oversight, improve accountability, and save taxpayer dollars.

Cook County has made progress in addressing the corruption for which it is unfortunately too well-known. But scandals continue and serious challenges remain. Residents have recently seen Board of Review employees imprisoned for bribery, and the Inspector General has reported misconduct across multiple County agencies, from procurement fraud to improper hiring and misuse of health and travel benefits. OIIG plays a critical role in uncovering and preventing these kinds of abuses. But right now, it doesn't have the resources to keep up. According to its most recent report, the office is severely understaffed and underfunded. Cook County's Inspector General has only one staff member for every 1,000 employees — below national standards and significantly behind the City of Chicago, where the ratio is closer to 1 to 300.

This proposal would begin to fix that imbalance. It would set a modest funding floor of just 0.14% of the County's overall budget for the OIIG — the same share the City of Chicago allocates to its inspector general. That small investment would give the office the independence and stability it needs to conduct robust investigations, and it would ensure that it is free from political interference or retaliation.

We understand that some officials may have concerns about setting a designated funding level for a specific agency. But this approach has worked well in Chicago, and it is essential to ensure the OIIG's independence.

The current method of year-by-year appropriation for the OIIG means that the office relies upon public officials for funding, which experts like the Center for the Advancement of Public Integrity and the Association of Inspectors General have noted can seriously compromise its independence.[1] This is not just an academic concern: In Louisiana, for example, the state legislature attempted to completely defund the state's inspector general in response to the office's investigations into well-connected politicians. And in New Jersey, the state's inspector general's office was entirely eliminated after their investigations antagonized party leaders and other state officials. That office was eliminated despite an accomplished record of exposing misconduct and returning $7 to the State Treasury for every $1 the office cost the State.[2] While these are extreme examples, the OIIG and its budget should be insulated from political interference of any kind.

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[1] Center for the Advancement of Public Integrity, *Funding Integrity: Comparing Inspector General Funding Approaches,* (2018). Available at: https://scholarship.law.columbia.edu/public_integrity/23
[2] Mary Jane Cooper & Stephen Street, Independent Inspectors General Under Siege: A Tale of Two State Inspectors General, (2017). Available at: https://scholarship.law.columbia.edu/public_integrity/38

We urge Cook County Commissioners to seize this opportunity and move this proposal forward. Our residents deserve an honest, effective, and efficient government. An independent, robust inspector general's office is critical to delivering on that promise.

Statement by Michael L. Shakman
to Finance Committee of the Cook County Board

July 28, 2025

For further information:
773-972-7053 or
MLSHAK@AOL.COM

My name is Michael Shakman. I am a life-long resident of Cook County. I am also a lawyer. I was the lead plaintiff and a lawyer in the lawsuit known as the Shakman case. Defendants in that lawsuit included Cook County, and other Illinois governmental bodies.

The Shakman case ended with regard to Cook County in 2018. As part of the agreement to end the Shakman case, the County adopted an employment plan to put in place safeguards to prevent unlawful practices, including unlawful political discrimination in employment.

President Preckwinkle supported those reforms, for which I thanked her then, and do so now.

A key reason for ending the Shakman case with respect to Cook County was that the County implemented an Employment Plan that embodies fair and open employment practices.

A key component of that Employment Plan is a means for Cook County to police itself. An employment plan and good intentions, but without investigative capacity, is not worth the paper it is written on.

Therefore, an effective inspector general was, and is, the most important single part of the County's commitment to fair employment practices. The current version of the County's Employment Plan recognizes that by committing to support a strong and effective Inspector General.

The Plan now on the County's website says – and I quote --

". . . Cook County expressly acknowledges its commitment to supporting the mission of the OIIG by providing the OIIG reasonable and fair resources to independently, effectively and expeditiously carryout such duties and functions as required in this Employment Plan and Supplemental Policies."

End of quote.

I'm here today to urge the County to make good on the commitment stated in the Employment Plan to provide the Inspector General with what the Plan describes as "reasonable and fair resources to independently, effectively and expeditiously carryout" the duties of the office.

The Inspector General has asked the County to allocate not less than one-fourteenth of one percent of the County's annual appropriation of all funds contained in the annual appropriation ordinance, as adjusted. "As adjusted" means by not counting as part of the base funds budgeted for services to Cook County State agencies.

The County's Employment plan directs the inspector general to investigate complaints of unlawful political discrimination in employment. The Inspector General's duties also cover many other areas that are equally important to honest and efficient operations.

The most recent Inspector General's report gives many examples of areas he has investigated and wrongdoing he has uncovered.

This included ensuring contractor compliance with County Minority Business Enterprise requirements.

It included identifying County employees who defrauded the federal government and the County by getting funds to which they were not entitled. He found, for example, that the County

paid over $271,000 in health care costs for individuals who were not eligible and logged zero time as County workers.

Another example: The Inspector General documented the sale of County land to a developer at an unreasonably low price, and the failure to make the land available to the public to purchase.

He uncovered and documented widespread unlawful employment practices at the Board of Review.

He investigated County Health contracting practices that were wrong and illegal.

These are examples of many other investigations that are essential to give County decision makers the information they need to identify wrongdoing and to assure good government.

The IG cannot continue to provide these services if funding for his office does not keep pace with the growth in the County's overall spending and employee headcount.

In fiscal year 2018, when President Preckwinkle and I signed off on ending federal court oversight of County practices, the County had about 1,500 less employees than it does today. The County budget jumped from about $5.2 billion in 2018 to more than $9.9 billion today. While the County budget has nearly doubled in that 8-year period, the amount committed to the Inspector General has increased by only $846,000. As a percentage of the County budget, support for the IG dropped from 2018 to 2025 by about one third.

Currently, the City of Chicago Inspector General has a fixed budgetary floor of 0.14% of the City's overall budget. But the City Inspector General has a staff ratio of 300 to1. In contrast, the County Inspector General staff ratio is approximately 1,000 to 1, which is the highest ratio in the area.

The County cannot get good government by skimping on the Inspector General's budget.

I urge the Finance Committee to recommend that the County support the Inspector General by the annual percentage amount he has requested. That is a relatively small but critically important investment in good government. That investment will continue to pay big dividends in public trust and accountability.

Thank you.

Independence for the Inspector General

By Dick Simpson

Since 1976 more than 2300 public officials in Illinois have been convicted of public corruption in federal courts. Lower-level officials have been convicted in state courts. Previous corruption reports on earlier county governments have shown corruption in the County Assessor, Sheriff, Clerk, State's Attorney Offices, and Cook County Courts. While the current administration has done a great deal to curb waste and corruption which costs taxpayers millions of misspent dollars, the Cook County Inspector General reports problems currently in the County Hospital, Forest Preserves, and the Board of Tax Review among other country agencies. While the county government has been active in combating "unlawful political discrimination, corruption, misconduct, waste and mismanagement" and has increased the budget of the Office of Inspector General, there are additional steps to be taken.

To guarantee the independence of the Office of Inspector General from political influence or control in connection with investigations and reviews of government officials, it must have a dedicated and guaranteed line of funding. While this administration may be willing to pursue waste and corruption, the Inspector General Office is understaffed. It should move from $3 million to closer to $10-12 million. This would bring it on par with Chicago's Office of Inspector

General which receives a fixed budgetary floor of .14% of the City's overall budget.

The proposed amendment would set the appropriations "available to pay for the expenses of the office of Independent Inspector General during each fiscal year … to be not less than fourteen hundredths of one percent (0.14%) of the annual appropriation of all funds."

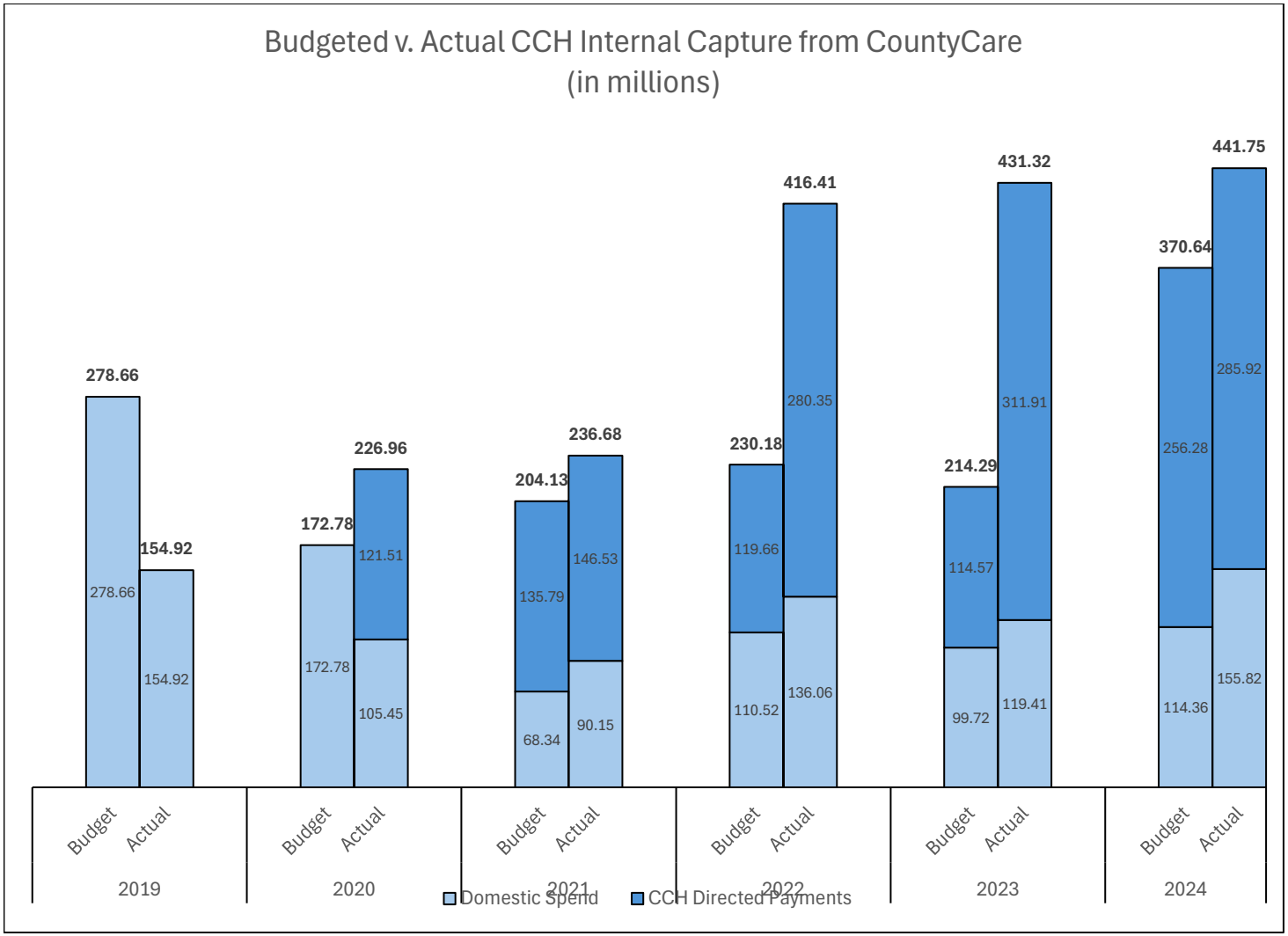
This amendment is supported by many reform organizations and experts including the President of the national Association of Inspectors General.

The Inspector General's latest report from January 2025 clearly shows the effectiveness of the small staff in terms of saving money, and more importantly, in allowing citizens to have faith in their local government. Since Chicago is the most corrupt metropolitan region in the country according to U.S. Department of Justice reports, this is especially important.

It is also clear that county government should not jump from an allocation of $3 million to $10 million in a single year. But a ramp by which the Inspector General's budget is increased year by year until it does reach a budgetary floor of .14% like the City of Chicago has done, is financially responsible and doable.

The old question of Chicago and Cook County politics has been: are they ready for reform? The answer by Cook County this year should be yes.

In thousands	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	YTD 2025	Total
FY 2018 Claim Denials	$ 115,949	$ 115,949	$ 115,949	$ 115,949	$ 115,949	$ 57,975	
Annual Claim Denials	82,587	46,613	48,739	38,223	37,184	15,224	
Savings	**$ 33,362**	**$ 69,337**	**$ 67,211**	**$ 77,726**	**$ 78,765**	**$ 42,751**	**$ 369,151**
Contractual Allowance	62%	62%	62%	62%	62%	62%	
Savings w/ Contractual Allowance	**$ 20,684**	**$ 42,989**	**$ 41,671**	**$ 48,190**	**$ 48,834**	**$ 26,505**	**$ 228,874**


Budgeted v. Actual CCH Internal Capture from CountyCare
(in millions)
278.66
154.92
172.78
226.96
204.13
236.68
230.18
416.41
214.29
431.32
370.64
441.75
278.66
154.92
172.78
121.51
105.45
135.79
146.53
68.34
90.15
119.66
280.35
110.52
136.06
114.57
311.91
99.72
119.41
256.28
285.92
114.36
155.82
Budget
Actual
2019
2020
2021
2022
2023
2024
Domestic Spend
CCH Directed Payments